

selves—seem to be laboring under the misapprehension that percentage depletion is in some way related to the wasting, disappearance, or depreciation of the asset. It is not in any way so related.

In the tax laws, we have depreciation, we have cost depletion, and we have percentage depletion. How could a taxpayer be given depletion on the clam shells on the Continental Shelf?

Who owns the clam shells? God Almighty. We may as well give a 200 percent increase in a depletion allowance for the sands of the seas and the air we breathe.

Mr. LAUSCHE. What about the fish of the sea?

Mr. GORE. Well, I see little difference, really, between the fish of the seas and the mollusks of the seas.

I am attempting to make two points:

First. This legislation would arbitrarily increase the percentage depletion for mollusk shells from 5 to 15 percent—15 percent of what? Not of the cost of the shells that the taxpayer has bought.

Second. There are cutoff points for various minerals and materials. I recall that we once had an amendment in the Senate to prevent the steel industry from taking their percentage depletion allowance based on the retail value of finished nuts and bolts—instead of the ore. Where is the cutoff point on these shells?

What is the excuse for percentage depletion? I really do not wish to provoke a debate on this matter. One of these days, we will have to have a debate, when the time is ripe. Percentage depletion has no relationship whatsoever to the cost of the natural resource, the depletion of the natural resource, or the depreciation of the natural resource. It is merely a formula for tax reduction. What does this bill do for mollusk shells? It gives a 200-percent increase in that formula.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. LONG of Louisiana. Are any mollusk shells being used to manufacture cement?

Mr. GORE. I should think the answer would be "yes"; but that is not the point I am making. I am not talking about the use to which they are being put; I am talking about an increase of 200 percent in the formula for tax reduction for those taxpayers concerned.

What I really rose to plead for is to strip from the bill the special interest items. Unless that is done, we shall be here all night, if the majority and minority leaders hold us here. We shall be voting on H.R. 10 and more depletion allowance amendments. If this is to be a grab-all bill in the closing days of the session, then I think we shall be in for a lot of unwarranted amendments.

I hope the Senator from Delaware will modify his amendment. So far as the use of drugs for old people is concerned, that is an entirely different matter. I wish he would move to strike from the bill the tax provisions which are unrelated and nongermane to the original bill as introduced.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. LAUSCHE. With respect to the depletion allowance, to whom do the shells of clams and oysters belong when they are in the sea? Whose property are they, and how can it be claimed that the person who takes oysters and clams out of the sea has suffered a depletion of his capital property?

Mr. GORE. Only the uninformed would make such a claim. Percentage depletion is not based upon that. This is but a canard that is fostered.

Mr. LAUSCHE. Suppose I am the owner of a coal mine. I take the coal out of the earth and deplete my capital resources. That is completely different from a harvester of clams and oysters, who takes them out of the sea and has no ownership in them. How does the Senator reconcile the two principles?

Mr. GORE. The owner of a coal mine would, as I understand it, have a choice between taking cost depletion or percentage depletion. Coal owners are the beneficiaries of this magic formula of percentage depletion, also.

Mr. LAUSCHE. They have a 10 percent depletion.

Mr. GORE. As a matter of fact, I know of hardly any natural resource that does not have some formula for percentage depletion associated with it, except air, sand of the seas, and the dirt that the farmer cultivates. There is just as much reason, and perhaps more, for giving a farmer percentage depletion.

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Mr. LAUSCHE. There is more reason because the farmer owns the land and the fisherman of clams and oysters does not own them. He takes them from the public domain.

Mr. GORE. But this bill gives to those people a 200 percent increase—an increase from 5 percent to 15 percent.

Mr. President, I hope that the Senator from Delaware [Mr. WILLIAMS] will modify his amendment and let us vote to strip the extraneous tax measures from this bill.

Mr. WILLIAMS of Delaware. The Senator from Tennessee made a valid point. There are 23 amendments in the bill which were nongermane, only two of which deal with the elderly of the country, and they would not go into effect until 1968.

Much of the argument—

Mr. LONG of Louisiana. Mr. Presi-